

THE HENDRICKSON COMPANY

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To: Housing Finance Authority of Leon County Board of Directors
From: Mark Hendrickson, Administrator
Subject: June 11, 2020 Board Meeting
Date: June 3, 2020

I. Financial Reports and Budget—Action

1. The May 2020 Financial Statement is attached. Net assets as of May 31, 2020 are \$1,339,858.05, with \$925,872.73 in cash (\$251,426.66 restricted).
2. All Emergency Repair and CDBG expenditures are booked against the restricted assets from the property sales (they meet the test as direct housing expenditures).
 - ✓ Total revenues from property sales: \$380,669.66
 - ✓ Emergency Repair expenditures since August 2016: \$117,080
 - ✓ CDBG rehab: \$12,163
 - ✓ Remaining Restricted Funds: \$251,426.66
3. An Expenditure Approval list and bank/SBA statements are attached.
4. **Recommendations: None**
 - Accept Financial Statements
 - Approve expenditures detailed on Expenditure Approval list.

II. County Request for Funding in FY 20-21—Action

1. The County submitted their funding request for FY 20-21, as follows:
 - Emergency Repair Program \$50,000 (same as this year)
 - Leon County Home Expo \$ 1,500 (same as this year)
 - 9/11 Day of Service \$ 1,500 (same as this year)
2. The HFA agreed to establish funding levels for County programs by June of each year. Given the massive leveraging of HFA funds achieved with the Emergency Repair Program, and high demand for the funds, this is a good investment. The total is also within the required housing expenditures from land sales.
3. **Recommendation:** Approve funding for County programs at levels requested by County.

III. Active Bond Application—Informational

1. The HFA published a NOFA for bond applications for developments that would also seek SAIL funding from FHFC. The NOFA is “open”, meaning applications are on a “first-come first-evaluated” basis.
2. **Magnolia Family:**
 - The HFA induced the development at the December 2019 meeting. TEFRA approval was given by the BOCC on April 28
 - The development has received preliminary approval from the FHFC Board for SAIL funding, subject to the conclusion of the legal process surrounding any FHFC RFA (to be complete July 17).
3. **Recommendation:** None

Name	Magnolia Family
Owner Entity*	Country Club Magnolia Family, LP
Developer/Location	New Affordable Housing Partners, LLC Atlanta, Georgia Tallahassee Housing Economic Corporation Tallahassee, Florida
Type	New Construction
Street Address	Canton Circle, 150' SW of the intersection of Canton Circle & Country Club Drive
County Commission District	District 1, Bill Proctor
Units	130
Bedrooms	252
# of Buildings	5 residential buildings
# of Stories	3
Credit Underwriter	Seltzer Management
Estimated Closing Date	Early 2021
Bond Request	\$15,000,000 or \$115,385/unit
Permanent Loan Bond Amount	TBD
SAIL & ELI Funding	\$6,2111,577
Housing Credit Investor	TBD
Housing Credits	TBD
TEFRA Approval	4-28-20
Total Cost	\$24,623,515
Total Cost Per Unit	\$189,412
Land Cost	\$0—Ground Lease from Tallahassee Housing Authority \$0//unit
Acquisition of Building Cost	NA
Hard Construction Cost	\$16,314,670 \$125,497/unit
General Contractor	TBD
Credit Enhancement	TBD
Set-Aside Period	50 years
Set-Aside Levels	10.0% (13 units) <33% AMI for 15 years, then 60% AMI 90.0% (117 units) <60% AMI

IV. Emergency Repair Program—Informational

1. The HFA authorized an emergency repair program, for minor repairs that need immediate attention—and are not covered by the County’s SHIP Program. A total of \$50,000 has been

committed for FY 19-20. Individual repairs are limited to \$1,650 per home (\$7,500 for senior or persons with special needs that reside in mobile homes).

2. Of the FY 19-20 allocation, \$35,436 has been encumbered with \$17,411 of that spent.
3. **Recommendation:** None.

V. Real Estate—Informational

1. The Real Estate Division is responsible for selling surplus properties designated for affordable housing, with proceeds of the sale coming to the HFA. There were three new sales in May—with net to HFA of \$19,090.
2. Sales of seven properties by the Real Estate Division generated total revenues to the HFA of \$107,102. As of May 31, 2020, sales of 40 properties by Ketcham Realty have generated \$273,567.66 to the HFA. The new total is now \$380,669.66.

PROPERTIES SOLD BY COUNTY				
Property	Sales Price	County Costs	HFA	Deposit
Calloway Street	\$ 5,900.00	\$ 700.00	\$ 5,200.00	3/29/2017
278 Oakview Drivie	\$ 27,300.00	\$ 775.00	\$ 26,525.00	1/5/2017
114 Osceola Street	\$ 34,100.00	\$ 1,523.00	\$ 32,577.00	8/29/2016
723 Frankie Lane Drive	\$ 12,000.00	\$ 700.00	\$ 11,300.00	12/1/2016
2109 Holton Street	\$ 6,500.00	\$ 1,700.00	\$ 4,800.00	2/15/2017
6009 Sam's Lane	\$ 3,000.00	\$ 600.00	\$ 2,400.00	5/15/2018
7234 Dykes Road	\$ 25,000.00	\$ 700.00	\$ 24,300.00	1/11/2019
TOTAL COUNTY SALES	\$ 113,800.00	\$ 6,698.00	\$ 107,102.00	
PROPERTIES SOLD BY BROKER				
Property	Sales Price	Ketcham Fee	HFA	Deposit
1506 Crown Ridge Road	\$ 8,100.00	\$ 1,500.00	\$ 6,600.00	5/10/2019
2997 Lilly Road	\$ 8,100.00	\$ 1,500.00	\$ 6,600.00	5/10/2019
4060 Morgan Road	\$ 7,000.00	\$ 1,500.00	\$ 5,500.00	5/10/2019
4037 Bishop Road	\$ 8,000.00	\$ 1,500.00	\$ 6,500.00	5/10/2019
4033 Bishop Road	\$ 8,000.00	\$ 1,500.00	\$ 6,500.00	5/10/2019
4043 Buster Road	\$ 8,000.00	\$ 1,500.00	\$ 6,500.00	5/10/2019
2572 Tiny Leaf Road	\$ 4,000.00	\$ 1,000.00	\$ 3,000.00	5/17/2019
1209 Southern Street	\$ 3,000.00	\$ -	\$ 3,000.00	5/17/2019
4065 Morgan Road	\$ 7,000.00	\$ 122.50	\$ 6,877.50	6/5/2019
Monday Road	\$ 15,000.00	\$ 178.50	\$ 14,821.50	6/5/2019
12513 Forest Acres Trail	\$ 9,500.00	\$ -	\$ 9,500.00	6/5/2019
2993 Lilly Road	\$ 8,100.00	\$ 1,500.00	\$ 6,600.00	6/13/2019
714 Stafford Street	\$ 15,000.00	\$ 55.00	\$ 14,945.00	6/28/2019
2123 Flipper Street	\$ 4,000.00	\$ 1,500.00	\$ 2,500.00	7/26/2019
Lilly Road	\$ 7,000.00	\$ 122.50	\$ 6,877.50	7/26/2019

Craft Street	\$ 6,000.00	\$ 115.50	\$ 5,884.50	7/26/2019
3529 Sunburst Loop	\$ 4,000.00	\$ 102.00	\$ 3,898.00	7/26/2019
Moore Woods Rd	\$ 7,000.00	\$ 122.00	\$ 6,878.00	7/26/2019
7344 Poplar Point Drive	\$ 9,000.00	\$ 1,816.56	\$ 7,183.44	8/13/2019
1017 Dover Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
Abraham Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
1118 Clay Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
Calloway Street	\$ 6,750.00	\$ 905.00	\$ 5,845.00	8/28/2019
Delaware Street	\$ 6,000.00	\$ 1,500.00	\$ 4,500.00	8/28/2019
2277 Saxon Street	\$ 2,500.00	\$ 1,000.00	\$ 1,500.00	10/10/2019
10715 Tebo Trail	\$ 20,000.00	\$ 1,154.30	\$ 18,845.70	11/21/2019
4046 Morgan Road	\$ 7,000.00	\$ 567.50	\$ 6,432.50	11/25/2019
5017 Dust Bowl Lane	\$ 3,543.00	\$ 1,543.00	\$ 2,000.00	12/28/2019
413 Great Lakes Street	\$ 3,600.00	\$ 1,500.00	\$ 2,100.00	1/29/2020
T and T Road	\$ 4,500.00	\$ 1,500.00	\$ 3,000.00	2/20/2020
Old Woodville	\$ 4,500.00	\$ 1,500.00	\$ 3,000.00	2/20/2020
Clay Street	\$ 6,300.00	\$ 55.00	\$ 6,245.00	2/20/2020
2113 Wakulla Street	\$ 4,000.00	\$ 55.00	\$ 3,945.00	2/20/2020
3641 W W Kelley	\$ 8,000.00	\$ 1,527.98	\$ 6,472.02	2/20/2020
1905 Rhodes Cemetery Rd.	\$ 25,000.00	\$ 8,858.00	\$ 16,142.00	3/5/2020
4006 Morgan Road	\$ 4,802.10	\$ 1,552.10	\$ 3,250.00	3/18/2020
4025 Morgan Road	\$ 8,074.50	\$ 74.50	\$ 8,000.00	4/27/2020
4029 Morgan Road	\$ 8,074.50	\$ 74.50	\$ 8,000.00	4/27/2020
4036 Buster Road	\$ 7,571.00	\$ 71.00	\$ 7,500.00	4/27/2020
462 Long Pine Drive	\$ 8,175.20	\$ 130.20	\$ 8,045.00	5/27/2020
4136 Cowan Drive	\$ 8,175.20	\$ 130.20	\$ 8,045.00	5/27/2020
Volusia Street	\$ 4,500.00	\$ 1,500.00	\$ 3,000.00	5/27/2020
TOTAL KETCHAM SALES	\$ 317,115.50	\$ 43,547.84	\$ 273,567.66	

3. **Recommendation:** None.

VI. Legal Update—Informational

1. HFA Counsel will report on their activities.

2. **Recommendation:** None.

VII. FHFC Proposed Limited Development Status for Leon County—Informational

1. Limited Development Areas (LDA's) are counties or portions of counties where applications for SAIL and 9% Housing Credits are prohibited by FHFC--- due to their concern for a weak market.

2. Last year, FHFC has proposed that all of Leon County be designated as an LDA. After comments by the HFA, City and County, FHFC withdrew its proposal to designate Leon County as an LDA
3. FHFC released their proposed LDA's for 2020 and Leon County is NOT proposed as an LDA this year.
4. **Recommendation:** None.

VIII. To-Do List—Informational

To-Do Item	HFA	Admin	CAO	SL	NBN	Status	Completed
Meeting Date							
None							
Meeting Date							
None							

IX. State Legislative Update—Informational

1. The Senate and House agreed to full funding for housing—the first time in 13 years. The full funding number is \$370 million. The importance of this cannot be understated.
2. With full funding, approximately \$3.2 million of SHIP will come to Tallahassee-Leon County, with the County receiving \$1.1 million and the City of Tallahassee \$2.1 million. Additionally, FHFC released \$8.6 million of SHIP that had been held back for disasters, with Leon County receiving \$36,092 and the City of Tallahassee \$69,472.
3. The Sadowski Education Effort (SEE) was essential to this success. We were not the only ones in the fight, but we were the ones getting the editorials written and in constant communication with legislators focused on this issue. Florida ALHFA's incredible relationship with FHFC/Trey Price was also massively helpful this year. There was truly a coordinated effort.
4. The Sadowski Education Effort continues to work on the issue to eliminate the possibility that housing funding is pulled back before July 1 due to COVID-19's impact on revenues. We have adopted a strategy of Housing = Healthcare, and are educating legislators that housing funding is being spent in direct response to the problems caused by COVID.
5. Op-ed pieces have been published in newspapers in Sarasota, Tampa Bay, Palm Beach, Gainesville and Ocala on this topic.
6. **Recommendations:** None.